

# **A Presentation to the Advisory Committee on Biotechnology & 21<sup>st</sup> Century Agriculture**

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## **Food: 2007 and the Consumer**

**Observation & Trends: Phil Lempert**

# Why this Advisory Committee is so important...

- America's Health Report Card
- Consumer needs change and evolve
- Marriage of consumers and technology is creating a new level of food information...and opportunities

# Food & Health Trends 2010

- Food obsession will continue and grow
- Fad diets will always be a factor
- Globesity shifts  
*from awareness to consequences*
- Processed foods = disease  
Pure, fresh, natural = health
- Handheld devices set real-time information standards
- VALUE for the money

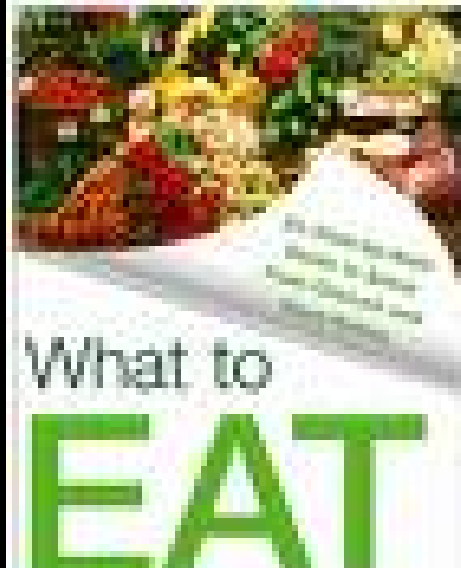
# The Nation.

## WAKE UP, AMERICA!

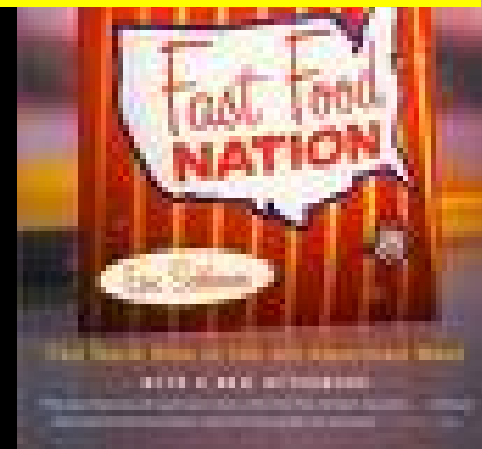
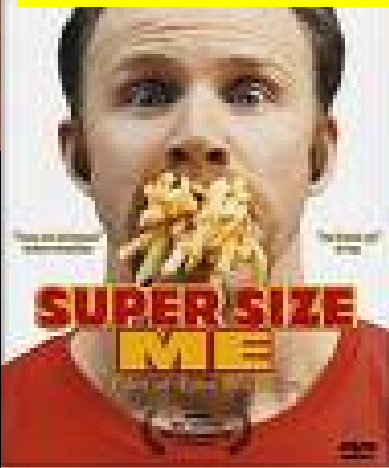


### THE FOOD ISSUE

FEATURING  
ALICE WATERS  
ERIC SCHLOSSER  
MICHAEL POLLAN  
WENDELL BERRY



# Consumers are HUNGRY for health & food information!



# Health & wellness trends scorecard

## Positives



efforts

## Negatives



mentality

- Stressed out

***Who can I turn to?***



MARCH 12, 2007

www.time.com

Is the Stock Market Getting Too Risky? ■ The Dubious Jesus Tomb

# TIME



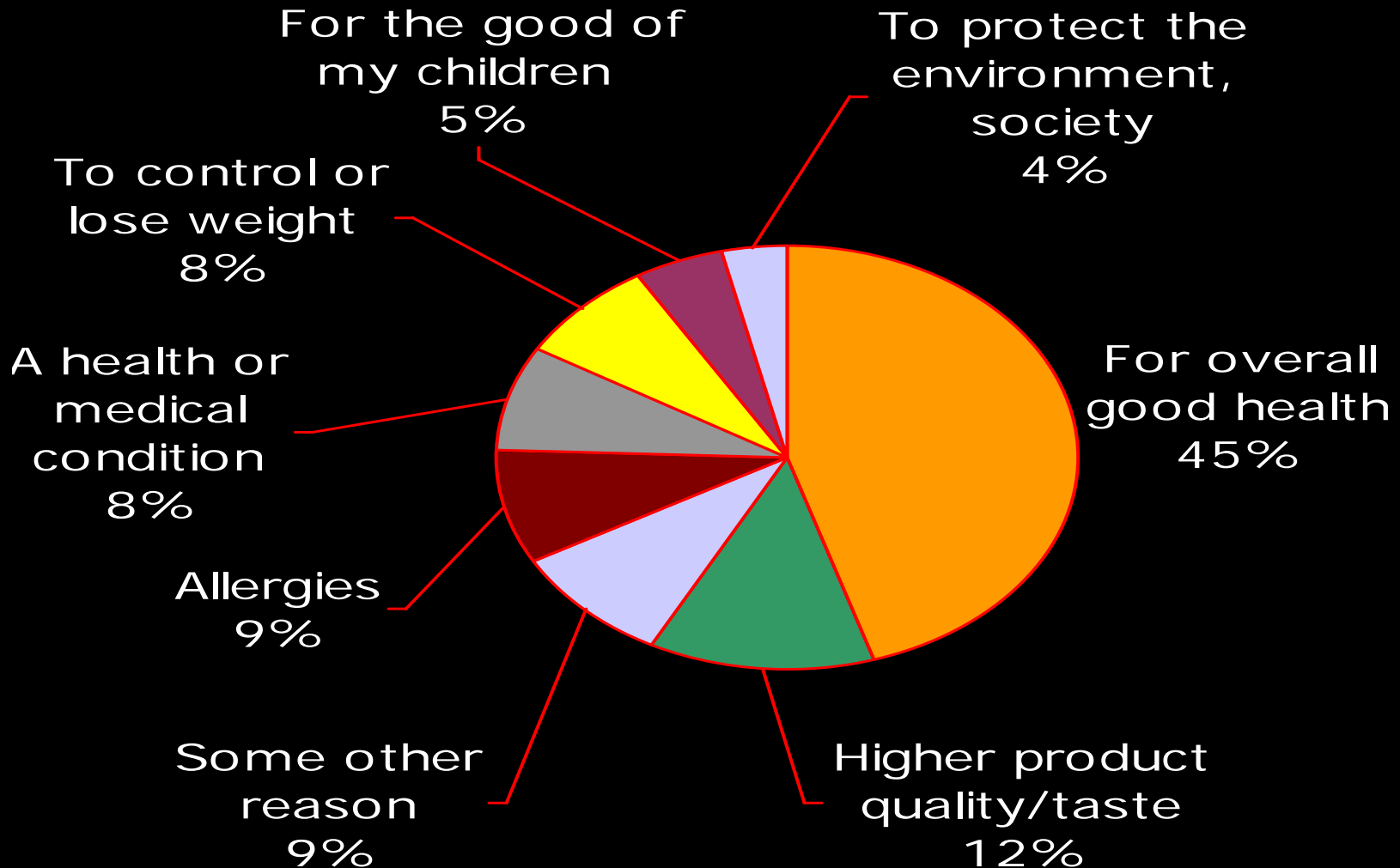
The best food you  
can eat may be in your  
own backyard. Here  
is one man's quest  
for the perfect apple

BY JOHN CLOUD

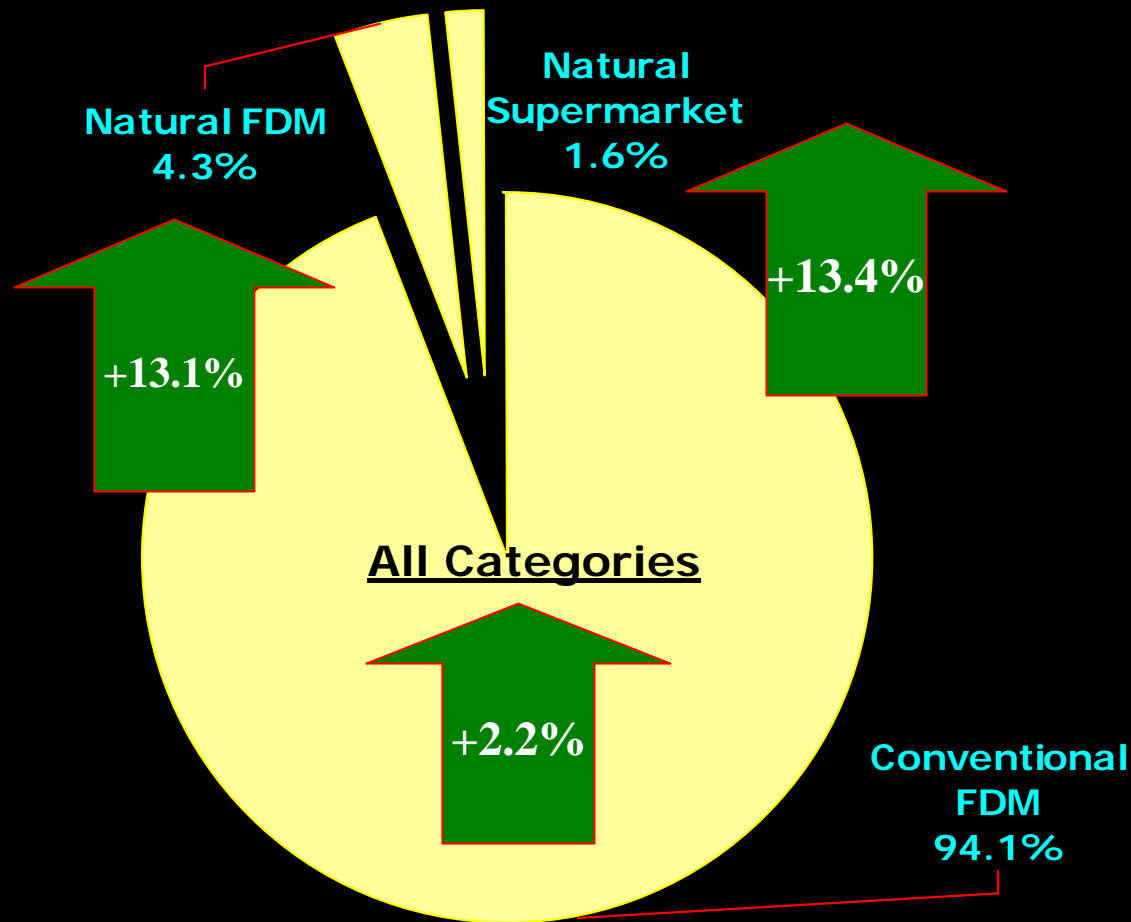


# Understanding Rationale

## SPINS Consumer Survey



# Natural vs. Overall



- Natural Products growth continues to outpace Conventional products by over 10 percentage points

- Natural Products in Natural Product Supermarkets are just slightly outpacing growth of Natural Products in FDM

Note: Excludes Wal-Mart.

Source: SPINScan thru 11/05/05



# What's changed

Food & beverage brands reformulate

- » Lower sugars
- » Whole Grains
- » Higher Fiber
- » No trans fats
- » Lower fat
- » Energy
- » Probiotics
- » Organic

# The Progression of the Natural Products Consumer

Trial

Transitional

Regular

Committed



Purchase  
Rationale

Accidental

Health  
Condition

Good 4  
Me

Good 4  
Me

Promotion

Diet

Good 4  
Family

Good 4  
Family

Diet

Good 4  
Me

Good  
Taste

Good  
Taste

Allergy

Good 4  
World

% of US

55%

25%

17%

3%

**WHO IS THE  
CONSUMER?**



# The New American Consumer

- WWII Generation
- Baby Boomers
- Generation X
- Generation Y
- Cultural Diversity
- Income
- Family Size

# U.S. Age Projections

	2010	2030	2050	% CHANGE
<b>TOTAL Population</b>				<b>49%</b>
<b>0 – 4</b>	7%	7%	7%	<b>46%</b>
<b>5 – 19</b>	20%	20%	19%	<b>32%</b>
<b>20 – 44</b>	34%	32%	31%	<b>26%</b>
<b>45 – 64</b>	26%	23%	22%	<b>49%</b>
<b>65 – 84</b>	11%	17%	16%	<b>114%</b>
<b>85 +</b>	2%	3%	5%	<b>389%</b>

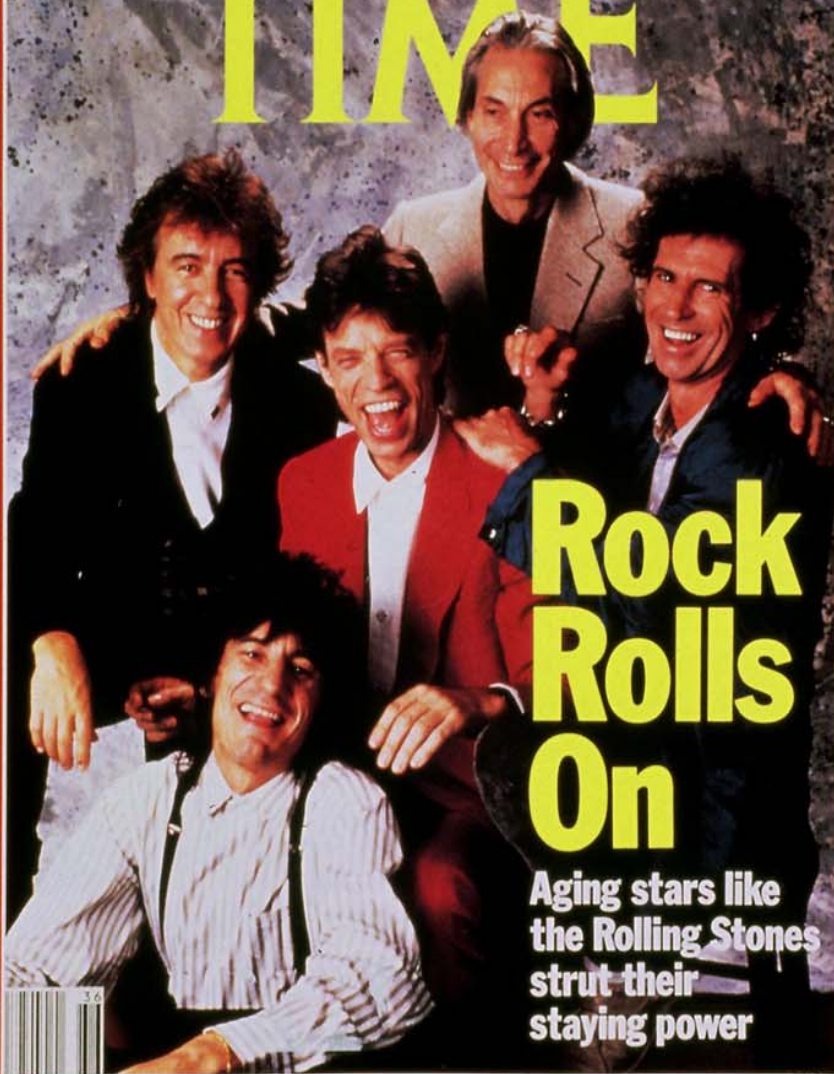
Source: U.S. Census Bureau, 2004, "U.S. Interim Projections by Age"

SEPTEMBER 4, 1989

50TH ANNIVERSARY SPECIAL  
WORLD WAR II: The Desperate Years

\$2.00

# TIME



## Rock Rolls On

Aging stars like  
the Rolling Stones  
strut their  
staying power





# Leading Health Problems 50+

Arthritis  
Hypertension  
Hearing Impairments  
Heart Conditions  
Cataracts  
Orthopedic Impairments  
Sinusitis  
Diabetes  
Eye Impairments  
Food Allergies  
Hemorrhoids

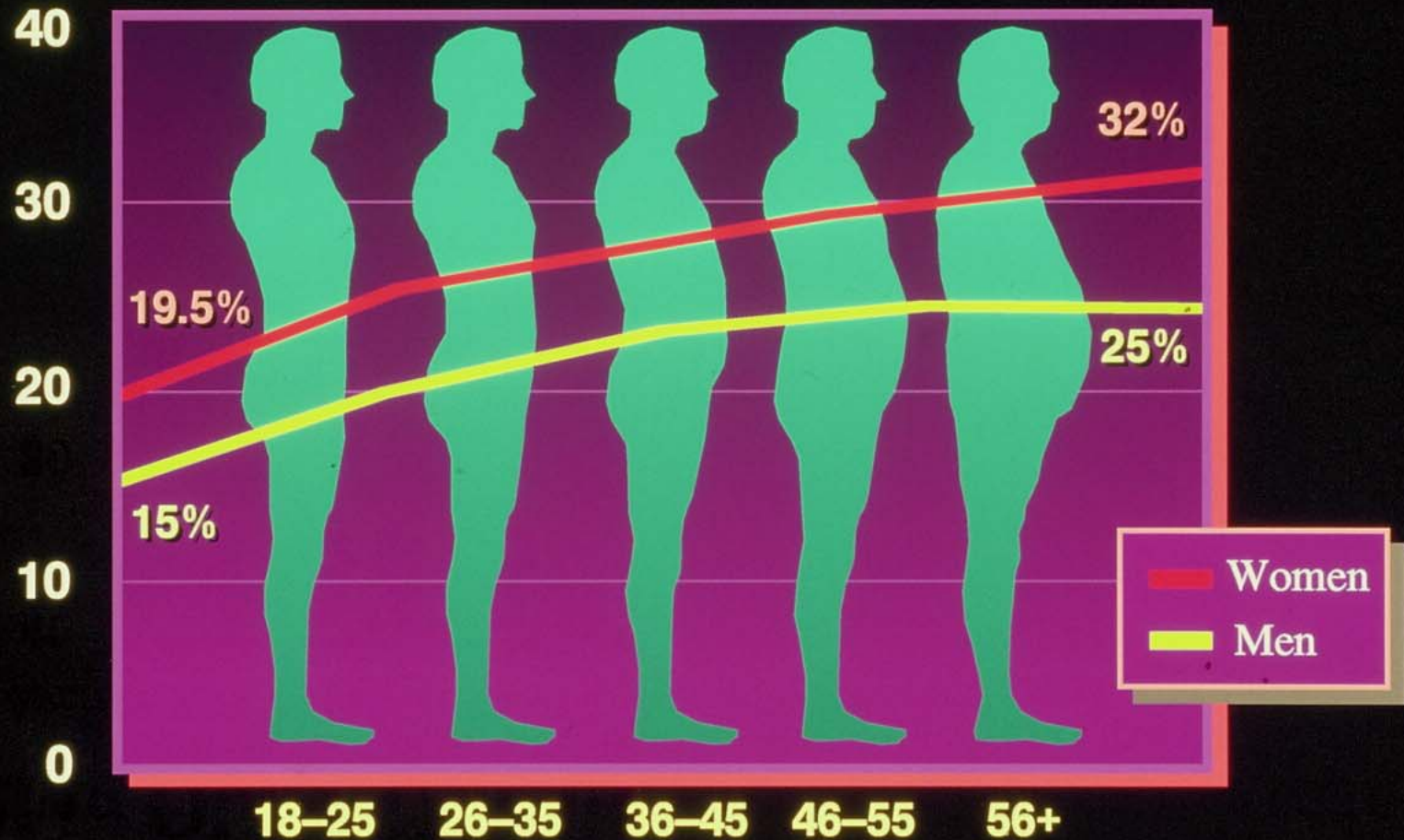
# Boomers at a glance...

	Young Boomers (40s)	Old Boomers (50s)
<b>High Blood Pressure</b>	<b>14%</b>	<b>26%</b>
<b>High Cholesterol</b>	<b>12%</b>	<b>19%</b>
<b>Diabetes</b>	<b>5%</b>	<b>11%</b>
<b>Heart Disease</b>	<b>2%</b>	<b>4%</b>

**At 35,  
most body functions  
start to decrease  
at the rate of  
1% a year**

# Getting Older Usually Means Getting Fatter

Average % Body Fat



Source: Mayo Clinic

**In 2010  
the first of the  
Baby Boomers  
are 65!**

**WHAT IS THE  
CONSUMER  
THINKING?**







**2007 NCA Consumer Insights Survey**

**3,434 U.S. Shoppers**

# How Consumers Eat:

- 86% eat home-cooked meals 3x+ week
- 42% eat at full service restaurants  
1-3 times month
- 35% eat fast food LESS than once a month
- 25% eat candy at least once a day
- 36% eat snacks at least once a day

# What's Most Important

Number One:

**Product Freshness**

(selling products before the 'use  
before/sell by' date)

**73% Very Important**

# **What's Most Important**

**Accurate Shelf Tags** **70%**

**Clean, neat shelves** **59%**

**Low Prices** **46%**

**Store Brands** **13%**

**Ethnic selections** **13%**

**Organic selections** **11%**

# A Healthier Diet

From a list of 31 possible activities:

- 78% eating MORE fruits & vegetables
- 59% eating LESS fried foods
- 53% drinking MORE bottled water
- 51% eating MORE whole grains
- 50% eating LESS junk food
- 49% eating MORE fresh foods

70% said their diets could be healthier

# What are the motivators?

**#1 Price**

**#2 Brand**

**#3 Health Claims**

**#4 Preservatives & Additives**

**#5 Organic**



**Are you more or less concerned than one year ago about your family's nutrition, fitness, and/or weight control?**

More	82%
Less	17%

**Are you concerned about your family's?**

	Yes
Nutrition	95%
Fitness	94%
Weight Control	90%

# How closely do you read ingredient statements?

Read completely	66%
Scan quickly	21%
Just look for one or two key ingredients	13%
Don't read them at all	1%

**What's having an  
impact today?**

The Consumer is becoming  
the COMMANDER  
of the shopping experience...

DoCoMo, ScanBuy, CellFire,  
iPhone replace  
the shopping list, the credit card  
and the search engines



[your basket](#)[browse the store](#)[your account](#)[logout](#)

## Cereals

Nutrition: You are shopping for  [Click to edit profile](#)[BMI](#)[eDiets](#)[Current Basket](#)[1 month](#)[2 months](#)[3 months](#)[All](#)

This basket

Target profile

## Total calories

2300kj

Carbohydrates

524g

Of which: Sugars

g

Protein

120g

Fat

110g

Of which: saturates

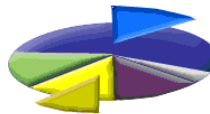
34g

Fibre

25g

Sodium

0.4g

[Click to show basic analysis](#)

## Guidance

Based on comparing your basket of shopping to a balance diet profile our analysis highlights the following:

Fat content too high [Click here to read why this affects your health.](#)

Vitamin C low [Click here to read what this vitamin does for your health.](#)

## Recommendations

## Balanced diet foods

Spend **£ 12.00** on food to improve my current shopping basket. [Show foods.](#)

1kg New Potatoes

£0.98 per Kg

how many? [buy](#)

Oranges (Spain)

£1.34 per Kg

how many? [buy](#)Bananas 1kg approx. 7 bunch  
(£1.63 per kg) Fair Trade  
£1.63how many? [buy](#)[View all recommendations](#)

## Reduce fat options

Low fat oven chips  
250g  
£3.45how many? [buy](#)

Organic Low Fat Yogurt

£0.98

how many? [buy](#)Olive Oil  
330ml  
£3.99how many? [buy](#)[View all recommendations](#)

## Increase vitamin C

Red Peppers  
£2.42 per kg  
£1.21how many? [buy](#)

Oranges (spain)

£1.34 per kg

how many? [buy](#)

1kg New Potatoes

£0.98 per Kg

how many? [buy](#)[View all recommendations](#)

## Basket Summary

1 Whole bird Organic 1-2kg	7.48
1 Weetabix Organic	1.85
2 Tortilla Chips Yellow	1.14
1 Tomatoes	0.12
1 Tikka Masala Sauce Organic	1.71
1 Sunflower Frying Oil Organic	2.05
1 Sundried Tomato & Basil Sauce Organic	1.89
1 Semi-Skimmed Milk 2 Litre	1.33
1 Salas Mild Organic	1.33
1 Royal Gala Apples (New Zealand)	0.29
1 Organic Multigrain	2.15
1 Onions 0.5 kg approx.	0.33
1 Medium Egg Noodles Organic	1.02
1 Long Grain Brown Rice Organic	1.95
1 Green China Tea	1
1 Gomitini Organic	0.74
1 Fusilli Organic	0.83
1 Fillet Steak Aberdeen Angus	9.38
1 Earl Grey Tea	1.87
1 Digestive Biscuit Organic	0.75
1 Dark 70% Chocolate Organic	1.58
1 Coffee Granules Organic	2.8
1 Cherry Tomato & Oliver Sauce Organic	1.87
2 Broccoli Spear	0.5
1 Bio Biz	1.36
1 American Wholemeal Cut	1.14
1 1kg New Potatoes (local)	0.75
<b>TOTAL COST:</b>	<b>50.85</b>

[go to checkout](#)[view my basket](#)[empty basket](#)

James Littlejohn

0

james@ecotorch.com

**If this is not you click here immediately**

## Personalise my profile

[Personal details](#)[Exercise](#)[Health links](#)[Lifestyle links](#)

“Digital Diagnosis” allows the  
consumer to take  
responsibility for health &  
wellness

# Do-it-yourself DNA kits for \$99



Heart Health  
Antioxidant / Detox  
Bone Health  
Inflammation  
Insulin Resistance



Think “America the Green”  
as environmentally friendly  
food sources,  
minimally processed foods,  
automobiles  
**AND CORPORATIONS**  
become pervasive



Food Safety Issues  
become bullet-proof thru  
technology and RFID





Food Allergies create a new  
category that will  
be one of the fastest growing  
sectors



# FOOD ALLERGY ALERT



TM

## FOOD ALLERGY BUDDY™

Please be advised that Phil  
has food allergies.

Please avoid using...  
**Peanuts, All shellfish, MSG**

Emergency contact:  
**Dr. Lempert**  
**111-111-1111**

FAB and NRA are not liable for the actions or omissions  
of individual establishments associated with your use of  
the card.

[www.FoodAllergyBuddy.com](http://www.FoodAllergyBuddy.com)  
©2004-2005 CI

Table #

NATIONAL  
RESTAURANT  
ASSOCIATION®



## My objective:

to be the beacon which guides  
consumers ...

*and helps them navigate through the  
storm of ever evolving new products,  
nutrition and science information;  
and empower them to make the best  
food decisions*

**Optimism**

**Participation**

**Trust**



**Socialization**

**Diversity**



Consumer  
Panel of  
66,000+  
INVOLVED  
Shoppers  
  
11+  
million  
unique  
visitors

Contact Me • About Us • Links • Search • Using the Site • Newsflash Sign-Up • **Food & Health Tip**

**Phil Lempert**  
**Supermarket GURU®**  
Smarter shopping,  
healthier eating,  
better living...



Meet  
the USA's Best  
Bagger  
- click here -

**Sign up NOW!  
FREE**

- [Weekly Newsflash](#)
- [Coffee Chat News](#)
- [Personal Fat Diary](#)
- [Food Allergy Buddy](#)

SupermarketGuru.com is updated daily with the latest food and health news and our regular features...

**LATEST NEWS...**

February 26, 2007

**One More Reason to Enjoy Olive Oil:  
New Study Shows Benefits in  
Preventing Stomach Ulcers and  
Cancer**

The Mediterranean diet has often been praised for its heart healthy benefits, partly because of the high consumption of olive oil. Due to both its high content of monounsaturated fatty acids and its high content of antioxidative substances, olive oil has been shown in studies to provide health benefits that range from preventing heart disease and colon cancer.



**THIS WEEK...**

SupermarketGuru \_  
[New Product Hits & Misses](#)

 Before you bite - be sure to check our ratings on the newest foods - and you can nominate products as a hit or miss! See this week's new product reviews and ratings (posts every Wednesday). \_  
[Click...](#)

**Steal This Recipe® \_**  
[Kefta Tagine \(Beef Kefta with Green Peas & Artichokes\)](#)

 Tired of the same old meatballs? Here's a new twist that you'll love! Keftas are meatballs, in this case Moroccan style, and a tagine is a casserole-like dish used in north African cooking which consists of two pieces. \_  
[Click...](#)

[Coffee Chat News \\_](#)

**Phil's Latest Video Reports:**

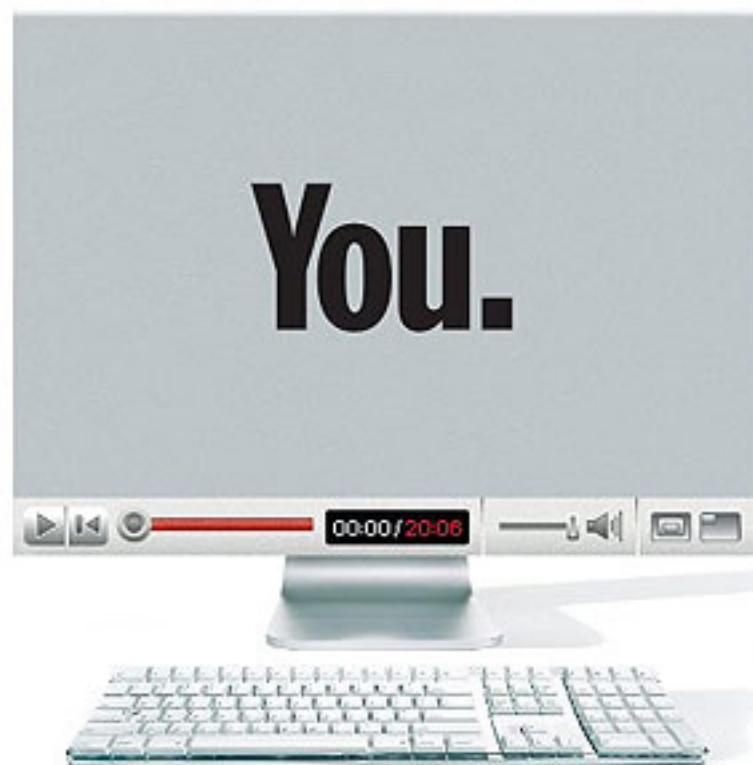
[Foods to Get You in the Mood](#)  
2/13/07: TODAY's Al Roker, Ann Curry and Natalie Morales talk with Phil Lempert about the truth behind the aphrodisiac powers of some foods.

[Is Your Food Safe to Eat?](#)

**Food & Health News**  
**New Products & Reviews**  
**Consumer Panel**  
**Feature Columns**  
**TV-Radio-Print-Web**  
**Phil's Fat Diaries®**  
**Tools & Goodies**  
**Birthday Greetings**  
**Recipe Search**  
**For Marketers**  
**Your Path to Consumer Enlightenment®**  
**QuickPoll**

# TIME

PERSON OF THE YEAR



Yes, you.  
You control the Information Age.  
Welcome to your world.

Unprecedented  
*consumer complexity*  
and  
*competitive intensity*  
has driven  
consumers  
to a  
**“world of extremes”**

# Phil's Supermarket

*For the consumer:*

Education, celebration, connection

*For the retailer:*

Marketing research, path to future

*For USDA:*

Leadership, consumer insights

# Getting the word out...

- NGA, GMA/FPA, NCA and IBM...& more
- “Ribbon Cutting” at FMI in KRAFT booth
- Major Publicity Effort: TODAY, 20/20, Oprah, USA Today, Fortune, trades
- Keynote “live” demo presentations already firm at: NGA and NCA annual conventions
- On-going synergy with *Food & Health* on MSNBC





## FOOD & HEALTH with PHIL LEMPERT

## OBJECTIVES

- Partner with NBC News to develop a groundbreaking, 360° comprehensive platform targeting the American consumer.
- Associate with the nation's foremost expert on food and nutrition.
- Empower consumers with industry insider information and knowledge to help benefit the American family.
- Reach the well educated, affluent, household decision makers before they hit the grocery isles.

## BRAND EXTENSION POSSIBILITIES

NBC  
Weather  
PLUS+

iVillage

TODAY

CNBC

MSNBC

MSNBC  
.COM

CNBC  
.COM

Newsweek

Supermarket  
GURU.COM

## POSSIBLE PLATFORM EXTENSIONS



ONLINE



VOD



PODCAST



NEWS  
LETTER



MOBILE



PRINT



EMAIL  
ALERTS

NBC NEWS  
EVERYWHERE

THE POSSIBILITIES EXIST EVERYWHERE



# The future of the food world is in *The Three “C”s*

- **Cater**

to health and wellness

- **Create**

a convenient shopping experience

- **Celebrate**

eating, assembling, and cooking



# Final Thoughts

- Consumers WILL change
- The food world is in flux
- 2007 is about:
  - Health
  - Ethnic EVERYTHING
  - Convenience
  - Technology
  - Value
- Focus on both the  
TRADE and CONSUMER  
Relationships

